

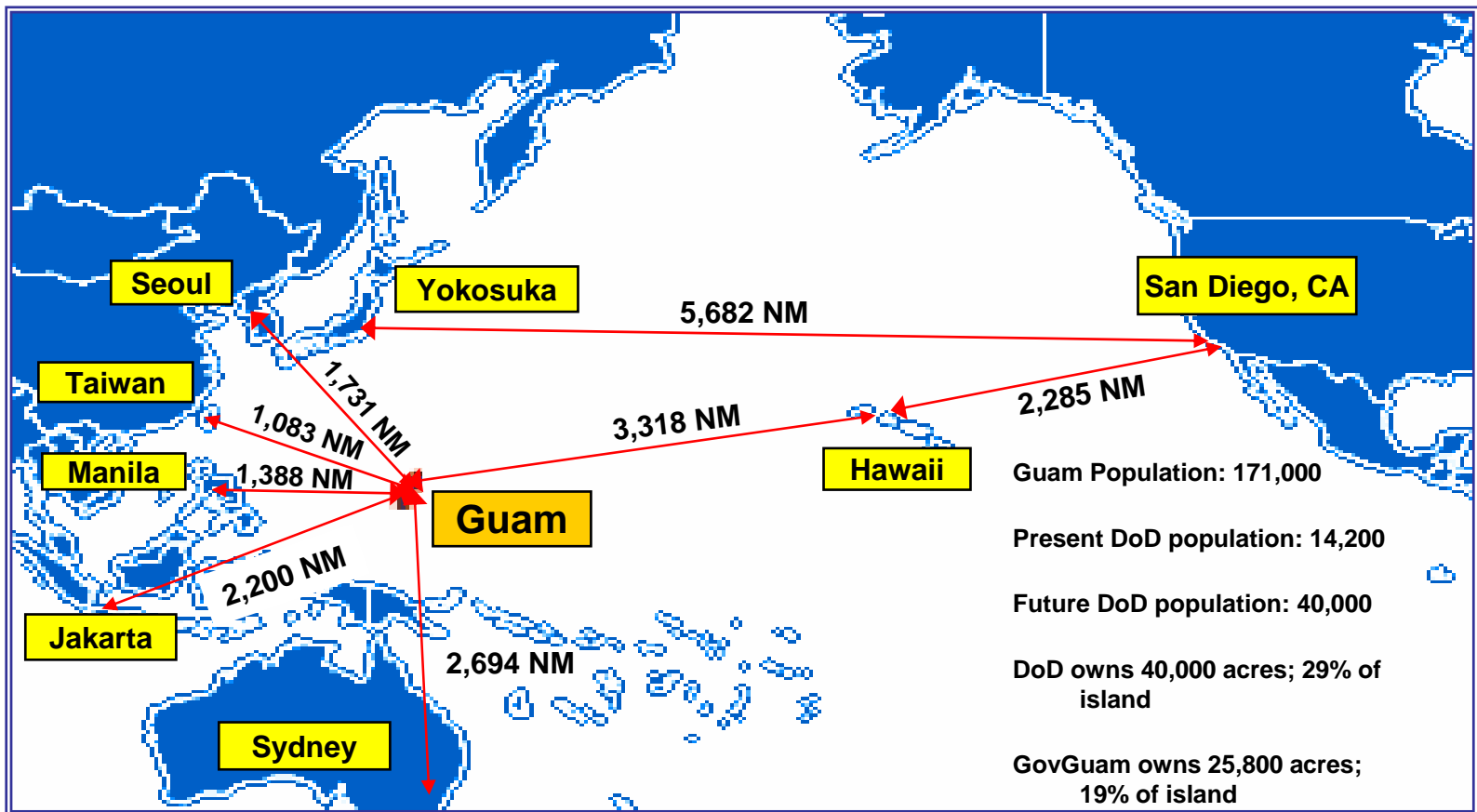
Guam Military Build-up Program

Society of American Military
Engineers

3 May 2007

Scene Setter: Guam Facts

- Guam's prime asset is location
- Geography & political status cannot be replicated



WHY GUAM?

- **PACOM Vision:** Guam, as the furthest west US territory for basing in the Pacific, provides strategic flexibility, freedom of action, and prompt global action for the Global War on terrorism, peace and wartime engagement, and crisis response.

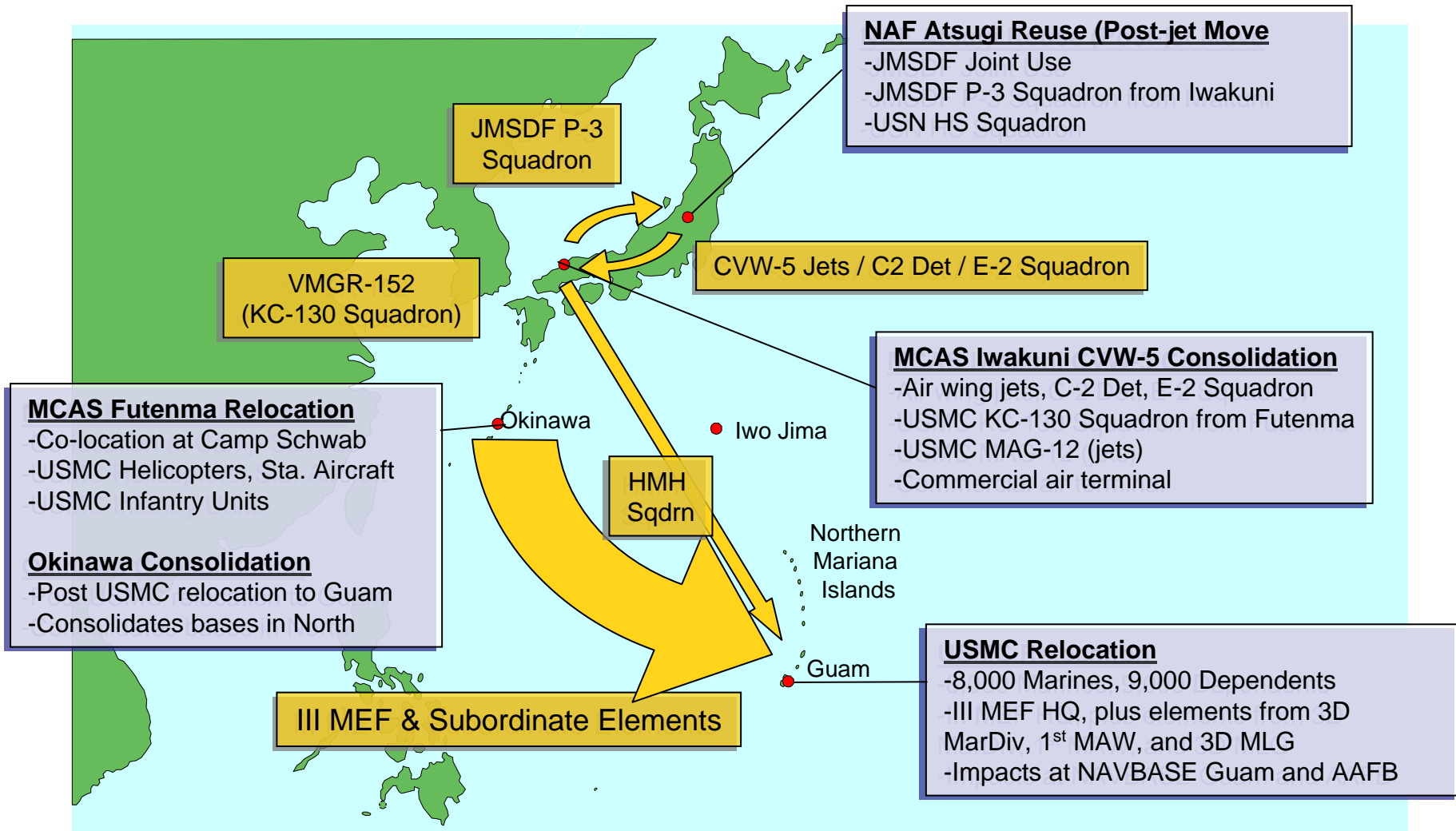
...Guam may be further back, but it leaves us space from which to maneuver. The possibility of having these forces readily employable is uppermost in my mind.

Admiral Fallon, HAC testimony 8 Mar 06

Guam and the Alliance

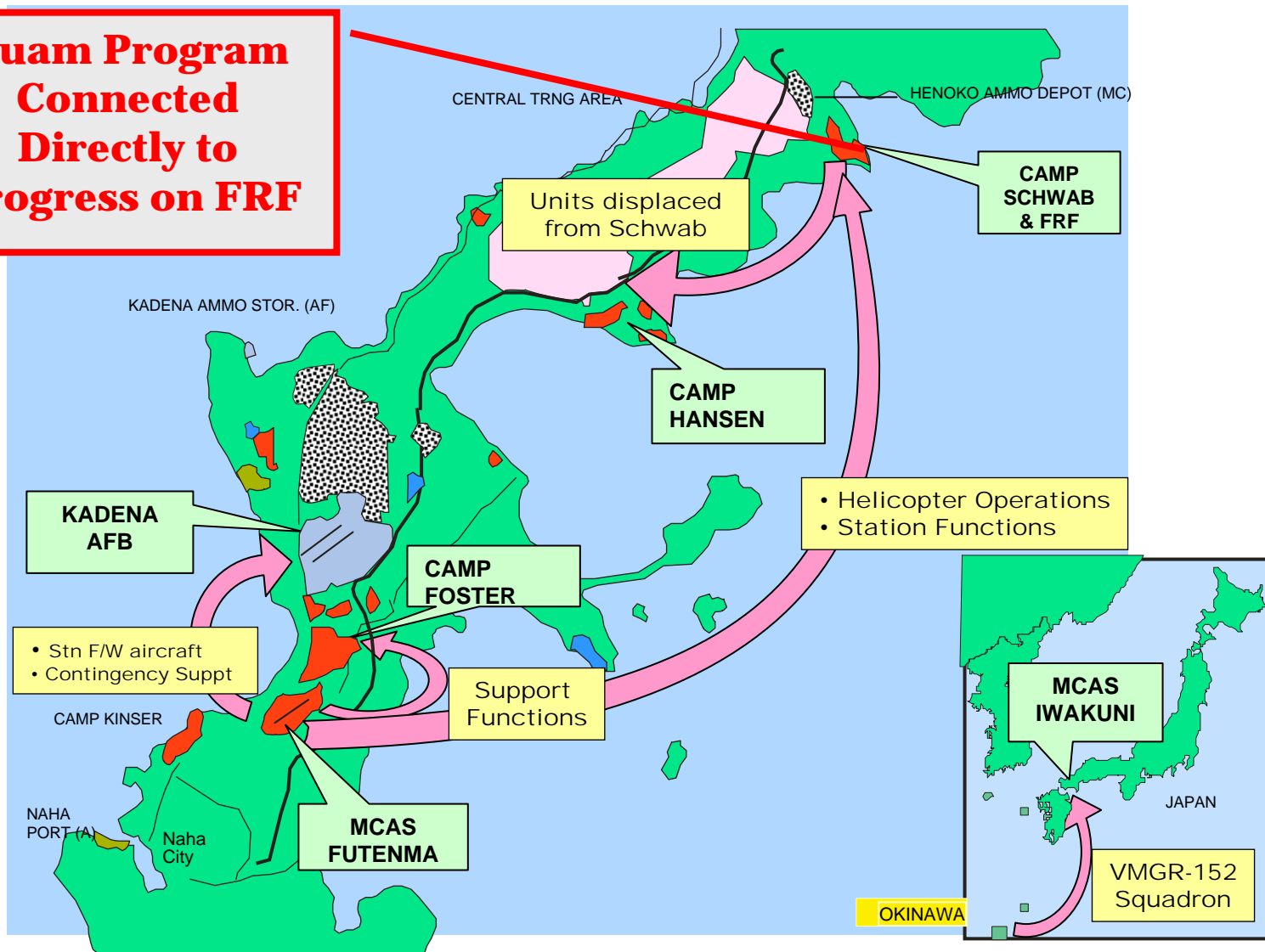
- Under the Alliance Transformation and Realignment Agreement (ATARA), the footprint of the U.S. – Japan Alliance will encompass Guam.
 - Japan Self Defense Force near- continuous rotational presence on Guam is encouraged and desired.
 - Japan’s political investment in Guam will ensure U.S. presence benefits the alliance.
 - Security Consultative Committee agreements reflect Japan’s strategic recognition that Guam is relevant to regional security and the defense of Japan.

US-Japan Defense Posture Realignment Initiative Overview



Overview of Okinawa Consolidation

**Guam Program
Connected
Directly to
Progress on FRF**



Guam - Current Forces

U.S. Navy

COMNAVMARIANAS

SSNs/Sub Tender
Logistics Prepositioned Ships
MSC Combat Stores Ships
MSC Ammo Ships
Maritime Prepositioning Ships
H60s

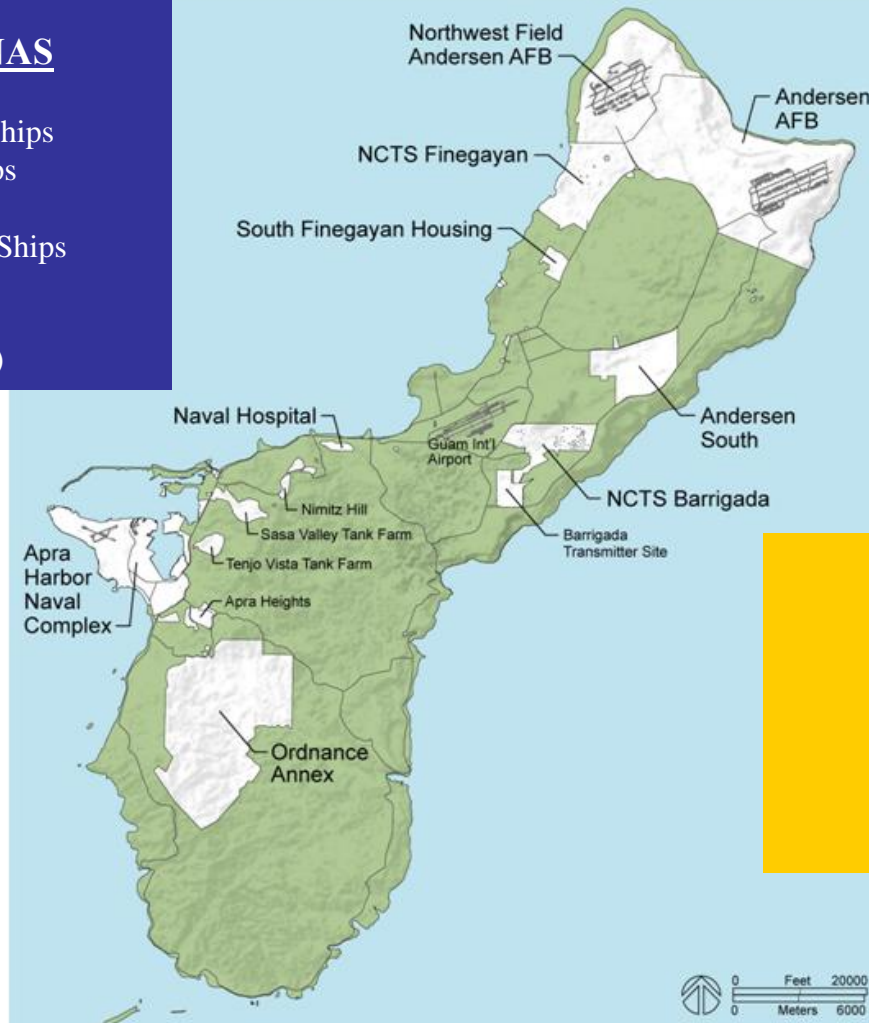
(4350 AD/ 5230 Dep)

USAF

36th Air Wing

Rotational Bombers
Rotational/ Tankers
Periodic Fighters

(1930 AD/ 2280 Dep)



USCG

Buoy Tender
110' Patrol Boats
25' Response Boat

(140 AD/ 180 Dep)

Total 6,420 Active Duty / 7,690 Dependents

Guam - Forecast of Future Forces

U.S. Navy

COMNAVMAIANAS

SSNs/Sub Tender
 Logistics Prepos Ships
 MSC Combat Stores Ships
 MSC Ammo Ships
 Maritime Prepo Ships
 H60s

Transient CVN berthing
 HSVs
 Littoral Combat ship

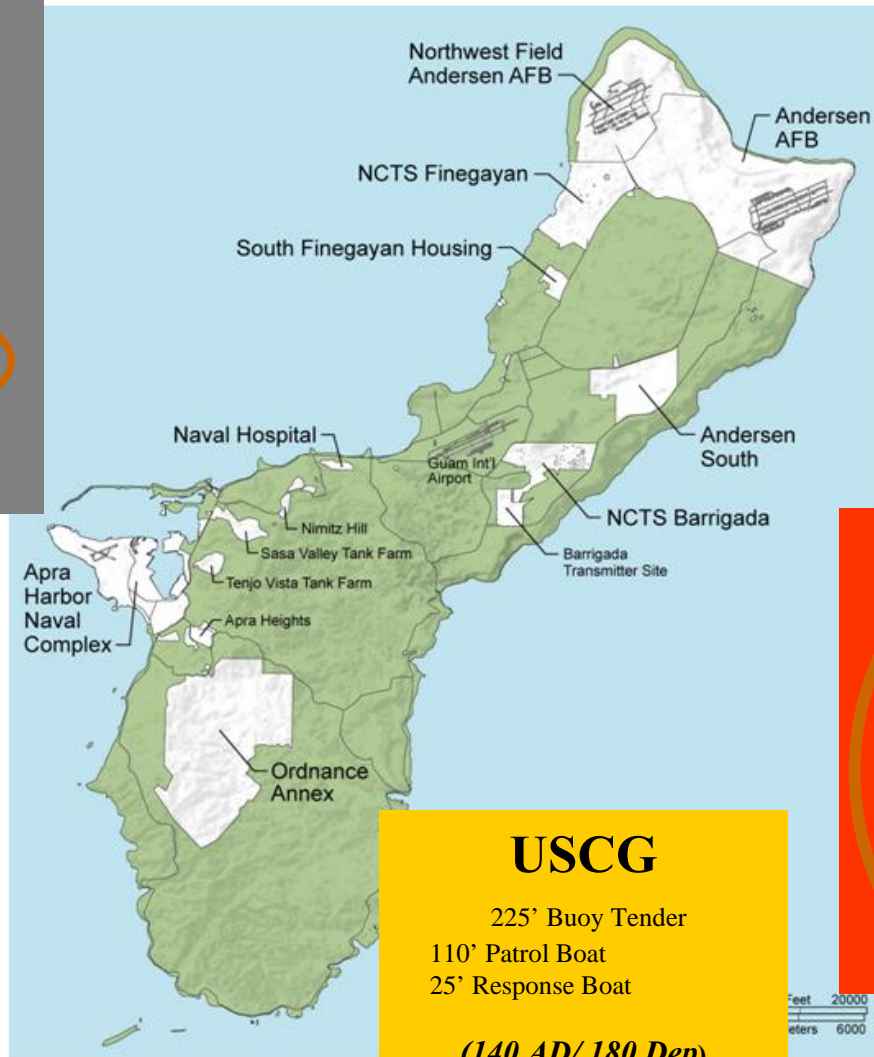
(Old 4350 AD/ 5230 Dep)

(New ≈ 5600 AD/ 5280 Dep)

U.S. Army

1 x Battalion Air
 Defense

(≈ 630 AD/ 950 Dep)



USCG

225' Buoy Tender
 110' Patrol Boat
 25' Response Boat

(140 AD/ 180 Dep)

USAF

36th Air Wing

Rotational Bombers
 More Based Tankers
 More Periodic Fighters
 Global Hawk

(Old 1930 AD/ 2280 Dep)

(New ≈ 4560 AD/ 3730 Dep)

USMC

III MEF Cmd Element
 Ground Combat Element
 Aviation Combat Element
 Combat Service Support
 Plus:

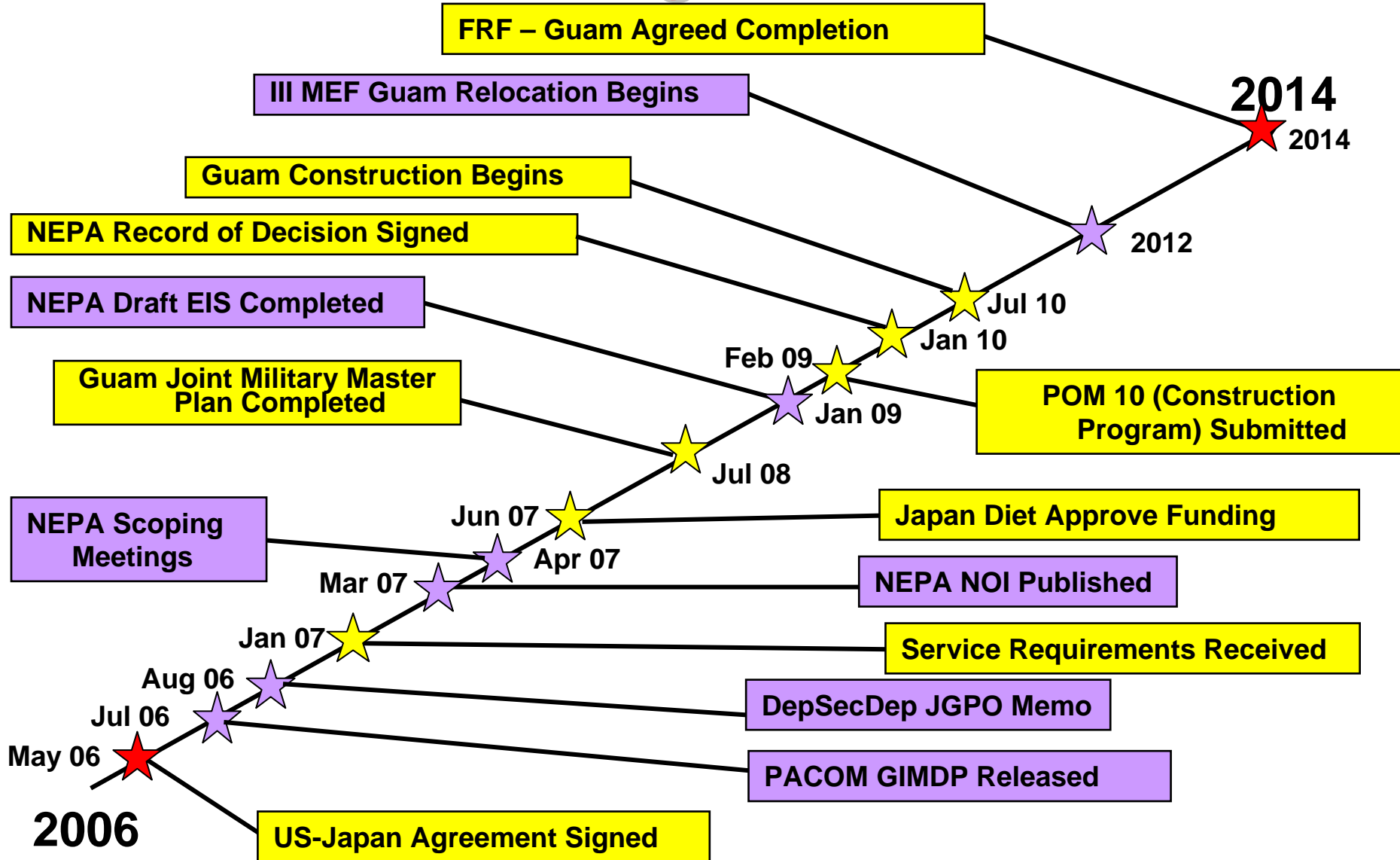
Transient Units
 Visiting USMC & Allied
 Forces

(New ≈ 10,000 AD/ 9000 Dep)

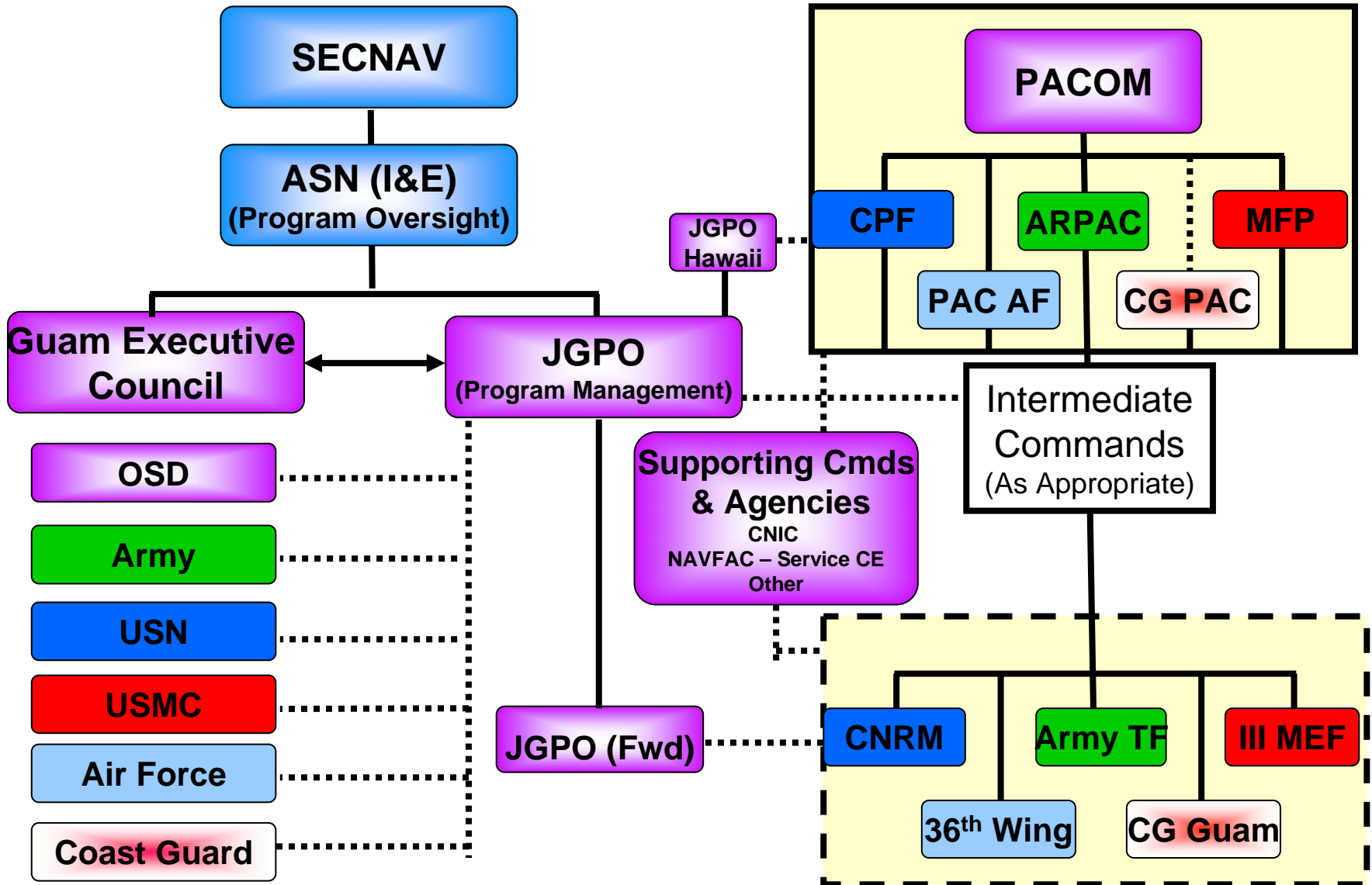
Old Total: 6,420 Active Duty / 7,690 Dependents
 New Total: ≈ 18,930 Active Duty / 19,140 Dependents

○ = New

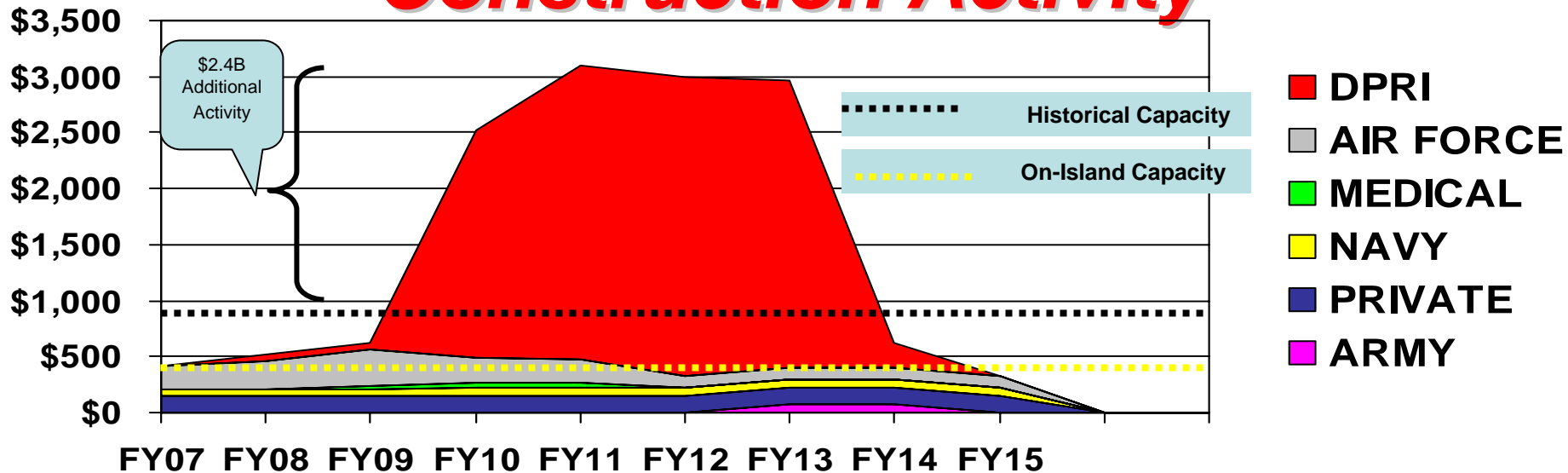
Guam Program Milestones



Guam Program Relationships



Notional Projected Guam Construction Activity



Construction Capacity

- Historical construction capacity approximately \$800M/yr
- FY14 completion will require excess of \$3B/year capacity
- 2007 NDAA repeals a ban against foreign laborers working on military construction projects on Guam.

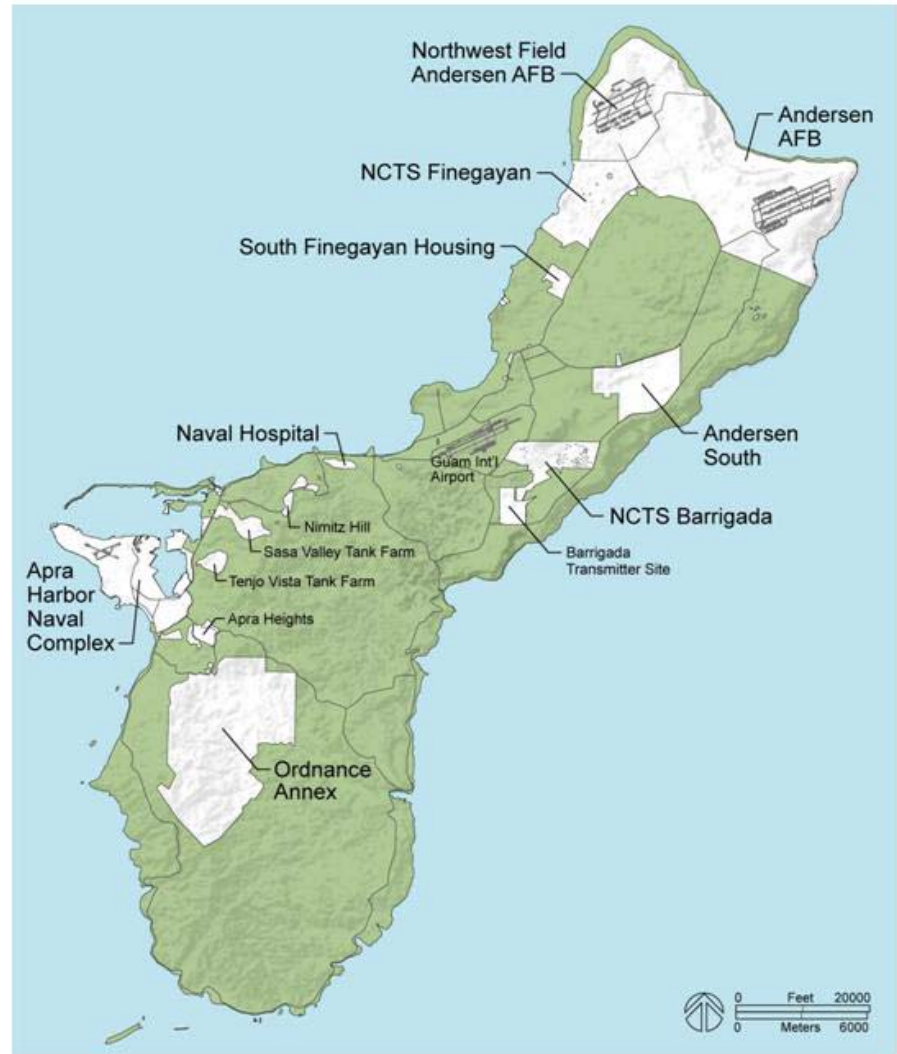
Special Purpose Entity (SPE) Concepts

- **Housing SPE:**
 - A private entity constructs, manages, and maintains housing for Marines relocated from Okinawa to Guam.
 - Could be expanded to other DoD, GOJ, Guam markets.
 - SPE investments are amortized over the life of the project through individual service member OHA that are paid by the USG.
- **Utilities SPE:**
 - A private entity establishes utilities for USMC units on Guam.
 - Could be expanded to support other DoD, GOJ, and Guam markets.
 - DoD is an equity partner through land-lease arrangements.
 - Guam could be an equity partner through land deals.
 - SPE investments are amortized over the life of project through payment of utility services including:
 - Electrical generation
 - Potable water
 - Wastewater collection & distribution
 - Solid Waste collection & disposal

Joint Military Master Planning

**Deputy Secretary of
Defense:**

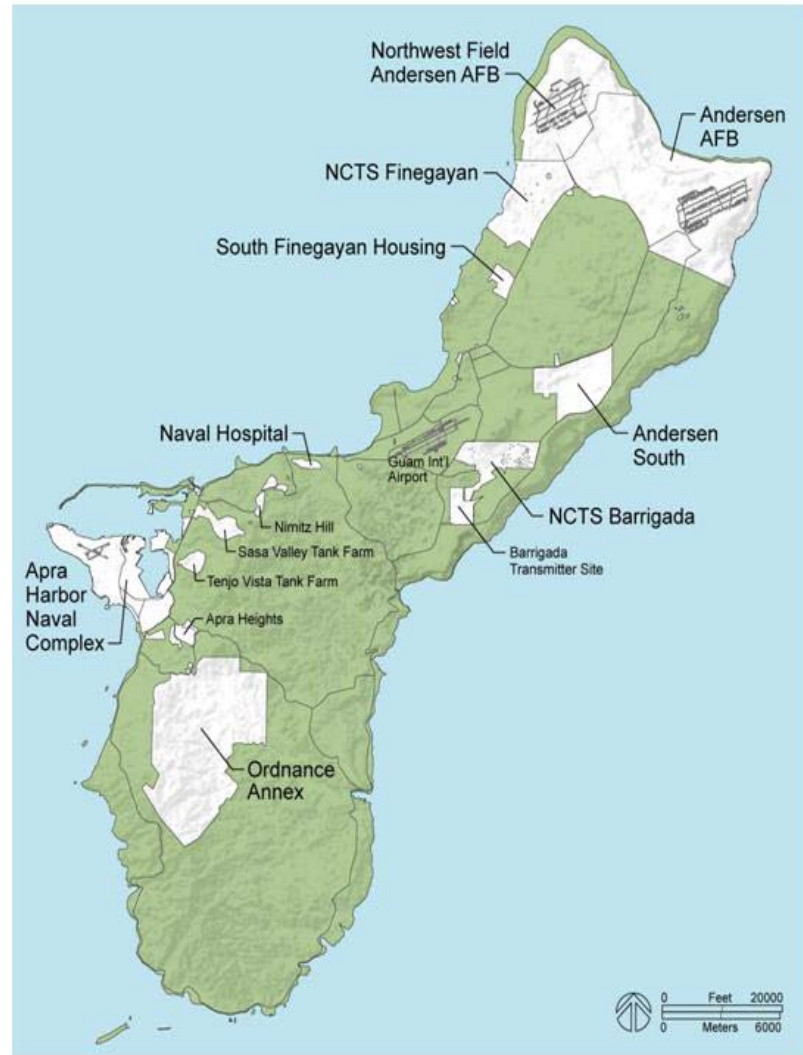
**“Consolidate, Optimize
and Integrate Existing
DoD Infrastructure
Capabilities.”**



GovGuam Master Planning

Guam Infrastructure

- **Electrical Power**
 - **Water**
 - **Waste Water**
 - **Solid Waste**
 - **Roads**
 - **Commercial Port**
 - **Labor**
- } **Major Program Impact**



OEA Support to GovGuam

Cost Sharing Agreement (\$10.27B)

	<u>U.S. Share</u>	<u>Japanese Share</u>	
		<i>Direct Funds</i>	<i>Financial Instruments</i>
Operational Facilities	\$2.57B	\$1.29B	\$0.74B
Family Housing	-----	-----	\$2.55B
Barracks / Quality of Life	\$0.36B	\$1.51B	-----
Off-Base Infrastructure/ Military Support Highway	<u>\$1.25B</u>	<u>-----</u>	<u>-----</u>
	\$4.18B	\$2.80B	\$3.29B

US Funding

- FY07 \$12.4M, O&M, N
 - Preliminary studies, environmental impact assessment, planning/concept development
 - JGPO Personnel & O&M
- PB 08 \$27.8M
 - \$9M O&M, MC for NAVFAC and USMC Planning
 - \$1.9M CVN Planning
 - \$3.7M O&M, N for Joint Basing
 - \$8M MilCon Planning and Design
 - \$5.0M JGPO Personnel & O&M
- \$2.5B Across the FYDP
 - Construction and Recurring Costs Solutions

Take Aways

- Program on Track
- Funding:
 - US-GOJ Cost Share Agreement
 - \$10.2B Program is Executable
 - GOJ Committing Funding and Legislative Support
 - US Funding: FY07 Execution; FY08 Programmed
- NEPA/Master Plan:
 - NEPA Planning On-going
 - Master Plan Under Development
- Challenges:
 - Joint Basing
 - Construction Capacity on Guam
 - Guam Infrastructure
 - Labor

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